

Presentment Date: September 5, 2023 at 12:00 p.m. (Prevailing Eastern Time)
Objection Deadline: August 30, 2023 at 4:00 p.m. (Prevailing Eastern Time)

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:	Chapter 11
	:	
CELSIUS NETWORK, LLC, <i>et al.</i>,¹	:	Case No. 22-10964 (MG)
	:	(Jointly Administered)
Debtors.	:	
	:	Re: Dkt. Nos. 1712, 2461, 2387,
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**NOTICE OF PRESENTMENT OF PROPOSED SUPPLEMENTAL INTERIM
COMPENSATION ORDER AND OPPORTUNITY FOR HEARING**

PLEASE TAKE NOTICE that the Fee Examiner appointed in these cases pursuant to the *Amended Order Appointing Independent Fee Examiner and Establishing Related Procedures for the Review of Fee Applications of Retained Professionals* [Dkt. No. 1746] (the “Fee Examiner Order”), pursuant to the *Second Amended Final Order (I) Establishing Certain Notice, Case Management, and Administrative Procedures and (II) Granting Related Relief* [Dkt. No. 2560] (the “Case Management Procedures Order”), Local Bankruptcy Rule 9074-(c)1 and this

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956); GK8 Ltd. (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

Court's Chambers Rules, will present the annexed *Supplemental Order Granting Applications for Allowance of Compensation for Professional Services Rendered and Reimbursement of Expenses for the First and Second Interim Compensation Periods from July 13, 2022 Through October 31, 2022 and November 1, 2022 Through February 28, 2023* (the "Proposed Supplemental Interim Compensation Order"), attached as **Attachment 1**, to the Honorable Martin Glenn, Chief Judge, United States Bankruptcy Court for the Southern District of New York (the "Court") for approval and signature on **September 5, 2023 at 12:00 p.m., prevailing Eastern Time** (the "Presentment Date").

PLEASE TAKE FURTHER NOTICE that:

1. Latham & Watkins LLP ("Latham & Watkins"), submitted the *First Interim Application of Latham & Watkins LLP for Compensation for Services and Reimbursement of Expenses Incurred as Special Counsel to the Debtors for the Period From July 13, 2022 Through October 31, 2022* [Dkt. No. 1712] (the "Latham First Interim Fee Application") on December 15, 2022, requesting \$5,097,947.00 in fees for services rendered and \$137,073.92 in reimbursement for expenses incurred on behalf of the Debtors.

2. Latham & Watkins submitted the *Second Interim Application of Latham & Watkins LLP for Compensation for Services and Reimbursement of Expenses Incurred as Special Counsel to the Debtors for the Period From November 1, 2022 Through February 28, 2023* [Dkt. No. 2461] (the "Latham Second Interim Fee Application") on April 14, 2023, requesting \$8,045,325.75 in fees for services rendered and \$39,803.06 in reimbursement for expenses incurred on behalf of the Debtors.

3. Pursuant to the *First Amended Order (I) Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals and (II) Granting*

Related Relief [Dkt. No. 1745] (the “Interim Compensation Order”), the deadline for “any party in interest other than the Fee Examiner or the U.S. Trustee” was “no later than 12:00 p.m. on the date that is 21 days following the required notice of the Interim Fee Application.” *Id.* at ¶4(e); that is, January 5, 2023 for the Latham First Interim Fee Application and May 5, 2023 for the Latham Second Interim Fee Application.

4. Though the Court considered other professional fee applications for these same interim fee periods at hearings on April 18, 2023 and July 18, 2023, the Court entered orders deferring consideration of the Latham First and Second Interim Fee Applications to allow the Fee Examiner and Latham & Watkins to continue their efforts towards a consensual resolution of the Fee Examiner’s concerns. *See* Dkt. Nos 2523 and 3055.

5. Through a series of settlement communications culminating in an in-person meeting on July 24, 2023, the Fee Examiner and Latham & Watkins now have, subject to the Court’s approval, reached agreement on appropriate adjustments to the Latham First and Second Interim Fee Applications, as outlined on **Exhibit A** to **Attachment 1** to this Notice.

6. The Fee Examiner is satisfied that the adjustments outlined on **Exhibit A** sufficiently mitigate any potential overcharge to the estate as a result of the absence of project-based billing as required by the local rules, the U.S. Trustee Guidelines, and the Fee Examiner Protocol. *See Fee Examiner’s Summary Report on Fee Review Process and First Interim Fee Applications Scheduled for Uncontested Hearing on April 18, 2023* [Dkt. No. 2387] at ¶¶ 82-87.

7. The Fee Examiner is further satisfied that, as adjusted, the fees and expenses outlined herein and recommended for Court approval represent reasonable fees and expenses

for services necessary to cooperate with state and federal regulators for the benefit of the estates and their creditors.

8. The U.S. Trustee has received an advance copy of this notice and proposed order and has no objection to the entry of the Proposed Supplemental Interim Compensation Order.

PLEASE TAKE FURTHER NOTICE that any responses or objections to the entry of the proposed order shall: (a) be in writing; (b) conform to the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules for the Southern District of New York, and all General Orders applicable to chapter 11 cases in the United States Bankruptcy Court for the Southern District of New York; (c) be filed electronically with the Court on the docket of *In re Celsius Network LLC*, No. 22-10964 (MG) by registered users of the Court's electronic filing system and in accordance with all General Orders applicable to chapter 11 cases in the United States Bankruptcy Court for the Southern District of New York (which are available on the Court's website at <http://www.nysb.uscourts.gov>); (d) be served in accordance with the Case Management Procedures Order; and (e) be served so as to be actually received by **August 30, 2022, at 4:00 p.m., prevailing Eastern Time** (the "Objection Deadline") by (i) the entities on the Master Service List available on the case website of the above-captioned debtors and debtors in possession (the "Debtors") at <https://cases.stretto.com/celsius>, and (ii) any person or entity with a particularized interest in the subject matter of this Notice.

PLEASE TAKE FURTHER NOTICE that, if no objections or other responses are timely filed and served by the Objection Deadline with respect to the Proposed Supplemental Interim Compensation Order, the Fee Examiner shall, on the Presentment Date, submit the Proposed Supplemental Interim Compensation Order to the Court, which order the Court may enter without further notice or opportunity to be heard.

PLEASE TAKE FURTHER NOTICE that if a written objection is timely filed, the Court will notify the parties of the date and time of the hearing and of the obligation to notify all other parties entitled to receive notice. A representative of Latham & Watkins, the Fee Examiner, and the objecting party are required to attend the hearing, and failure to attend in person or by counsel may result in relief being granted or denied upon default.

PLEASE TAKE FURTHER NOTICE that copies of the Proposed Supplemental Interim Compensation Order and other pleadings filed in these Chapter 11 cases may be obtained free of charge by visiting the website of Stretto at <https://cases.stretto.com/celsius>. You may also obtain copies of the proposed orders and other pleadings filed in these Chapter 11 cases by visiting the Court's website at <https://www.nysb.uscourts.gov> in accordance with the procedures and fees set forth therein.

Dated: August 9, 2023.

Respectfully submitted,

GODFREY & KAHN, S.C.

By: /s/ Katherine Stadler

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ATTACHMENT 1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

<p>In re</p> <p>CELSIUS NETWORK, LLC, <i>et al.</i>,¹</p> <p style="text-align: center;">Debtors.</p>	<p>X</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>X</p>	<p>Chapter 11</p> <p>Case No. 22-10964 (MG)</p> <p>(Jointly Administered)</p> <p>Re: Dkt. Nos. 1712, 2461</p>
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**SUPPLEMENTAL ORDER GRANTING APPLICATIONS FOR ALLOWANCE OF
COMPENSATION FOR PROFESSIONAL SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES FOR THE FIRST AND SECOND INTERIM
COMPENSATION PERIODS FROM JULY 13, 2022 THROUGH OCTOBER 31, 2022
AND NOVEMBER 1, 2022 THROUGH FEBRUARY 28, 2023**

Upon consideration of the applications for allowance of interim compensation and reimbursement of expenses incurred during the period from July 13, 2022 through October 31, 2022 (the “**First Interim Compensation Period**”) and November 1, 2022 through February 28, 2023 (the “**Second Interim Compensation Period**”) indicated as “Recommended for Approval” on the attached **Exhibit A** (Dkt. Nos. 1712 and 2461) (together, the “**Uncontested Applications**”), filed pursuant to the *First Amended Order (I) Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals and (II) Granting Related Relief* [Dkt. No. 1745] (the “**Interim Compensation Order**”); the *Amended Order Appointing Independent Fee Examiner and Establishing Related Procedures for the Review of Fee Applications of Retained Professional* [Dkt. No. 1746] (the “**Fee Examiner**

¹The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956); GK8 Ltd. (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

Order”); and pursuant to 11 U.S.C. §§ 330 and 331, Rule 2016 of the Federal Rules of Bankruptcy Procedure, and Rule 2016-1 of the Local Bankruptcy Rules for the Southern District of New York; and notice having been given pursuant to Federal Rules of Bankruptcy Procedure 2002(a)(6) and (c)(2); and the Court having reviewed the Uncontested Applications and/or the *Notice of Presentment of Proposed Supplemental Interim Compensation Order* filed by the Fee Examiner with respect to the Uncontested Applications [*see* Dkt. No. ____]; and the Court finding that: (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§157 and 1334; (b) notice of the Uncontested Applications was adequate under the circumstances; and (c) all parties with notice of the Applications have been afforded the opportunity to be heard on the Uncontested Applications, and upon the full record of all proceedings in this case; and sufficient cause having been shown therefor, it is hereby;

ORDERED THAT:

1. Each Uncontested Application is granted on an interim basis, to the extent set forth on the attached **Exhibit A**.
2. Each of the Uncontested Applicants is allowed (a) interim compensation for services rendered during the Compensation Period and (b) interim reimbursement for actual and necessary expenses incurred during the Compensation Period, each in the respective amounts set forth on the attached **Exhibit A**, including, except as otherwise indicated, any and all holdbacks.
3. To the extent not already paid pursuant to the Interim Compensation Order, the Debtors are hereby authorized and directed to pay, except as otherwise indicated on **Exhibit A**, each of the Uncontested Applicants 100 percent of the fees and 100 percent of the expenses listed on **Exhibit A** under the columns “Interim Fees Recommended for Approval” and “Interim

Expenses Recommended for Approval,” respectively, for services rendered and expenses incurred during the Compensation Period.

4. All fees and expenses allowed herein shall be subject to final allowance by the Court without regard to whether such amounts have been paid to the Applicant.

5. This Order shall be deemed a separate order with respect to each of the Interim Applications. Any stay of this Order pending appeal with respect to any one Uncontested Application shall only apply to the Uncontested Applicant that is the subject of such appeal and shall not operate to stay the applicability and/or finality of this Order with respect to any other Uncontested Application.

6. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this order.

IT IS SO ORDERED.

Dated: September __, 2023.
New York, New York

Martin Glenn
Chief United States Bankruptcy Judge

First - Second Interim Fee Period Applications Recommended

	Applicant	Compensation Period	Interim Fees Requested	Fee Examiner's Recommended Fee Adjustment	Interim Expenses Requested	Fee Examiner's Recommended Expense Adjustment	Interim Fees Recommended for Approval	Interim Expenses Recommended for Approval
First Interim Fee Period (July 13, 2022 - October 31, 2022)								
1	Latham & Watkins LLP [Dkt. No. 1712] <i>Special Counsel to the Debtors</i>	7/13/2022-10/31/2022	\$ 5,097,947.00	\$ 381,071.00	\$ 137,073.92	\$ 122,514.99	\$ 4,716,876.00	\$ 14,558.93
Second Interim Fee Period (November 1, 2022 - February 28, 2023)								
2	Latham & Watkins LLP [Dkt. No. 2461] <i>Special Counsel to the Debtors</i>	11/1/2022 - 2/28/2023	\$ 8,045,325.75	\$ 601,388.00	\$ 39,803.06	\$ -	\$ 7,443,937.75	\$ 39,803.06